

# FACT SHEET

*Demonstrating the Economic Value of Mt. Hood Community College  
(based on an economic impact study prepared by EMSI, an independent research company)*



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*Mt. Hood Community College (MHCC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups - students, society, and taxpayers. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits to each of these groups.*

## **INCOME CREATED BY MHCC IN FY 2013-14 (ADDED INCOME)**

**\$752 million**

Total Impact

## **FOR EVERY \$1 SPENT BY ...**

<b>STUDENTS</b>	<b>\$2.70</b> Gained in lifetime income for STUDENTS
<b>SOCIETY</b>	<b>\$3.70</b> Gained in added state income and social savings for SOCIETY
<b>TAXPAYERS</b>	<b>\$4.20</b> Gained in added taxes and public sector savings for TAXPAYERS

## **IMPACT ON MHCC DISTRICT**

During the analysis year, MHCC, its students, and alumni added **\$752 million** in income to the MHCC Service District economy, approximately equal to 1.1% of the Gross Regional Product. Overall, the added income created by MHCC and its students supported **11,941** jobs equivalents.

### *Student Perspective*

- In return for the monies and time invested in the college, students will receive a present value of **\$659.7** million in increased earnings over their working lives. This translates to a return of **\$2.70** in higher future income for every \$1 that students invest in their education. The average annual return for students is **12.5%**.

### *Social Perspective*

- Society as a whole in Oregon will receive a present value of \$1.3 billion in added state income over the course of the students' working lives. Society will also benefit from social savings related to reduced crime, lower unemployment, and increased health and well-being across the state. For every dollar that society spent on MHCC educations during the analysis year, society will receive a cumulative value of \$3.70 in benefits.

### *Taxpayer Perspective*

- In FY 2013-14, state and local taxpayers in Oregon paid \$32.4 million to support the operations of MHCC. The net present value of the added tax revenue stemming from the students' higher lifetime incomes and the increased output of businesses amounts to \$130.3 million in benefits to taxpayers. Savings to the public sector add another \$6.1 million in benefits.
- Dividing benefits to taxpayers by the associated costs yields a 4.2 benefit-cost ratio, i.e., every \$1 in costs returns **\$4.20** in benefits. The average annual return on investment for taxpayers is **26.1%**.

Full report available at <http://webapps.mhcc.edu/files/impact.pdf>